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July 18, 2011

MEMORANDUM

TO: Interested Parties

FROM: Mary C. Mayhew, Commissioner May & Mayh...

SUBJECT: Non-Emergency Medical Transportation (NEMT) System Redesign

As many of you are aware, the Centers for Medicare and Medicaid Services (CMS) notified MaineCare in November, 2010 that a redesign of MaineCare's NEMT system is necessary to achieve compliance with CMS regulations and maintain the current federal match. At that time, CMS presented the state with options for system redesign. The cost of staying with the existing structure would be \$6 million in additional state general fund (MaineCare seed) annually; \$12 million for the biennium to replace the reduction in federal Medicaid reimbursement.

The Department communicated to CMS in early March our intention to restructure NEMT under a single, statewide broker that would be at risk for managing a fixed per member per month rate to meet eligible members' transportation needs to their MaineCare covered services.

This letter is to inform you that, in collaboration with the Governor's Office and MaineDOT, the Department has now decided to restructure NEMT as a regional system of risk-based brokerages that align with the current eight Maine transit districts. As with the original statewide recommendation, this approach will achieve compliance with CMS, maintain federal match levels, and ensure improved access to eligible MaineCare members. In addition, a regional brokerage system will better ensure continuation of a coordinated, community-based approach to transportation. Brokers will be at risk for managing a fixed per member per month rate to meet eligible members' transportation needs and to meet proscribed quality benchmarks.

The Department plans to issue a request for proposals (RFP) in early fall 2011, and anticipates implementation of the new system in the spring of 2012.

The Department will hold a Stakeholders' Forum for all interested parties on Monday, August 1, 2011, at the Augusta Civic Center, 76 Community Drive, 2nd Floor, Piscataquis/Sagadahoc Room, to update the public on this change and to solicit feedback to inform the development of the Request for Proposals.

A notice for the Stakeholders' Forum as well as additional information on the initiative is available at our website: http://www.maine.gov/dhhs/oms/nemt/nemt index.html